

*REMARKS/ARGUMENTS*

In response to the Office Action mailed October 3, 2007, Applicant amends his application and requests continued examination. In this Amendment all claims previously examined are cancelled in favor of new claims 25-31.

Applicant brings to the Examiner's attention his U.S. Patent 6,965,317, and U.S. Patent 7,061,384, resulting from a continuation application based upon the previously mentioned patent. Both of these issued patents are commonly assigned with the present patent application and have the same effective U.S. filing date as the present patent application.

New claim 25 is the sole pending independent claim. That claim is fully supported by the application as filed. New claim 25 includes portions of former claims 1, 13, and 18 describing a tag attached to an article and a plurality of detectors. Further, new claim 25 describes the positional information management system as being located in a hotel and describes the computer network that is part of the positional information management system. This description is supported by Figure 2 of the patent application and the corresponding description at pages 19 and 20 of the patent application.

Further, new claim 25 describes the feature of the invention in which a customer of the hotel, to whom a house card has been issued, can search for the location within the hotel of his article that has attached to it a tag according to the invention, from any of the card readers located within the hotel. This search feature of the invention is described at pages 36-41 of the patent application, particularly in conjunction with the two flow charts shown as Figure 14 of the patent application. This description also supports new claim 31 which provides an alternative basis for initiating, from a card terminal, a search for the position of an article to which a tag has been attached. With respect to the house card described in claim 25, attention is

directed to the description from page 1, line 25 through page 2, line 14 of the patent application, in combination with the description at page 19, lines 14-20 and the previously cited description at pages 36-41.

New dependent claims 26-30 are derived from claims formerly examined, for example, claims 19, 14, 15, 23, and 24.

There were two fundamental rejections in the previous Office Action. The first rejection alleged that the former claims mixed two different statutory classes of subject matter, namely methods and apparatus. This rejection is erroneous for the reasons already submitted. First, the rejection is contrary to years of practice in the U.S. Patent and Trademark Office and instructions in the Manual of Patent Examining Procedure. Second, the rejection reflects the misinterpretation within the U.S. Patent and Trademark Office of the prohibition of including within claims two different statutory classifications of subject matter, as recently clarified by the Court of Appeals for the Federal Circuit. Third, the position is contrary to a growing body of case law, applying the recent Federal Circuit opinion. See *Yodlee, Inc. v. CashEdge, Inc.*, 84 USPQ2d 1594, 1597-99 (N.D. Cal. 2006) and *Collaboration Properties, Inc. v. Tandberg ASA*, 81 USPQ2d 1530 (N.D. Cal. 2006). A copy of the former opinion is attached for the Examiner's convenience. Applicant renews and maintains the full previous response to this rejection and reserves the right to raise again each point previously raised in the event of an appeal encompassing this issue. Nevertheless, to advance the prosecution of the patent application, the different language appears in the claims now presented.

The previous claims were all rejected as anticipated by or obvious over Shore (U.S. Patent 6,225,906). These rejections are inapplicable to any claim now pending.

As agreed, Shore describes a system in a hospital for tagging patients so that the movements of patients can be determined within the hospital facility. The tags are read at various locations within the hospital so that movements of individual patients

can be tracked at a central location, improper transport of patients can be detected, and the trespassing of patients into secure areas can likewise be detected.

The invention, particularly as described by the claims now presented, pertains to a hotel rather than a hospital, and potentially a hotel including casino services as well as conventional hotel services such as lodging, restaurants and bars. In the hotel, guests are issued a house card used to pay for various services. The payment may be made using the card at various locations in the hotel at card readers for reading the house cards. The card readers are dispersed at various locations throughout the hotel, particularly where services are provided.

Unlike the system in Shore, articles, i.e., personal property, brought into the hotel, not hotel guests, have tags affixed. The tags include integrated circuits and exchange information with various detectors that are dispersed throughout the hotel. The detectors interact with the tags, reading the tag IDs, and supply information concerning the location of the detection of each tag and the time of detection to a central control computer. When an article becomes lost or mislaid, a guest of the hotel who has a house card can simply go to the nearest card reader and search for the article. After authentication of the house card and input into the card reader of the tag ID, or other identifying information for the article, the computer system, which interconnects the detectors and the card readers, conducts a search of the recorded position and time information for the article having the specified tag ID. The most recent location of the article is determined from the stored records and supplied to the card terminal where the request for positional information was input. Instead of inputting the tag ID, the name of the customer to whom a house card has been issued may be input to initiate the search. The computer network relates the name to a tag ID to begin the search.

Shore describes nothing similar to the ability of a hotel guest to conduct a search at numerous convenient locations throughout the facility. It would be the antithesis of the Shore hospital system to issue each of the customers, i.e., patients, a

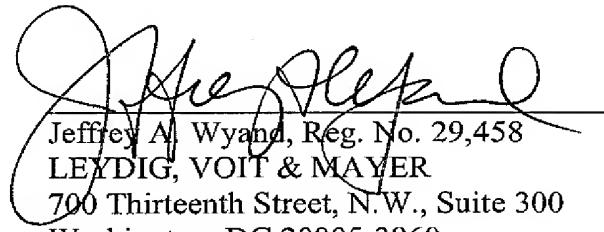
house card, so that the patient could, at his desire, go to a nearby terminal and find the location of another patient in the hospital. Accordingly, it is apparent that Shore cannot be applied, as previously applied, to reject any claim now pending.

According to claim 26, the tag comprises a detachable sticker. Such stickers are easily applied to articles upon the entry and registration of a hotel guest, i.e., upon checking in. This kind of tag ID is neither disclosed nor suggested by Shore. In fact, the Shore tag includes a selectively lockable latch, presumably to prevent a hospital patient from easily removing the tag. That kind of tag, with a locking latch, would be totally inappropriate in a hotel situation because of the time required to attach and detach the tags upon check-in and check-out by guests. The associated delays irritate hotel guests attempting to check in and/or check out as well as other guests whose own checking in and checking out activities are thereby delayed. In other words, the tag described in claim 26 is different not only in structure from the tag described in Shore, important advantages are achieved by using a tag that is a detachable sticker.

Claim 26 should be allowed independent of the action taken with respect to claim 25.

Reconsideration and allowance of claims 25-31 are earnestly solicited.

Respectfully submitted,



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Date: December 11, 2007  
JAW:ves

The court recognizes that this decision reaches a somewhat anomalous (and, from Visto's perspective, perhaps an undesirable) result. RIML and RIMC filed two suits in this forum that will now be dismissed and likely refiled in the Eastern District of Texas. Visto, who has been haled into this forum, will now have declaratory judgment counterclaims pending here concerning the '694 patent and the '457 patent. These counterclaims may, of course, be subject to dismissal. In the court's July 11, 2006 order, it declined to hear RIML and RIMC's declaratory judgment actions for patent invalidity and noninfringement because they were also pending as compulsory counterclaims in an earlier-filed suit in the Eastern District. If RIML and RIMC refile these claims in the Eastern District, Visto will probably assert the same or similar counterclaims there. But if this court does not dismiss the counterclaims, Visto will likely be realigned as the plaintiff in litigation it did not initiate and in a forum it did not select. If some or all these odd consequences occur, they are the result of the fact that Visto will not suffer plain legal prejudice from the dismissal of RIML and RIMC's claims and of Visto's objection to dismissal of its counterclaims. While Visto may now wish to seek dismissal so that its counterclaims can be litigated in the Eastern District, the court will not compel it to do so where, as here, it was within its rights under Rule 41(a)(2) to object to RIML and RIMC's motion.

Accordingly, the court grants RIML and RIMC's Rule 41(a)(2) motion to the extent it dismisses without prejudice their remaining claims. Visto's declaratory judgment counterclaims remain pending in this court.<sup>4</sup>

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For the reasons set out, Visto's July 10, 2006 motion to dismiss for lack of subject matter jurisdiction is denied, plaintiffs' July 26, 2006 motion to transfer this case to the Eastern District of Texas under 28 U.S.C. § 1404(a) is denied, and their alternative motion to dismiss these cases without prejudice under Rule 41(a)(2) is granted as to their claims and denied as to Visto's counterclaims.

*SO ORDERED.*

<sup>4</sup> Visto requests in the alternative that, if the court dismisses plaintiffs' claims, it condition dismissal on the requirement that they refile in this district. The court denies this request under the circumstances of this case.

## Yodlee Inc. v. CashEdge Inc.

U.S. District Court  
Northern District of California

No. C 05-01550 SI  
Decided November 29, 2006

### PATENTS

#### [I] Patentability/Validity — Specification — Claim adequacy (§ 115.1109)

#### Patent construction — Claims — Functional (§ 125.1311)

Asserted claims directed to systems and methods for delivering personal information gathered from multiple Internet sources to one central Web site are not invalid "mixed method-apparatus claims," since claims use active language to describe capability of certain apparatuses, such as "computer readable storage device," "Internet Portal," and "Internet Portal application," without claiming activity itself, since claims, by describing what apparatuses do when used in certain way, place functional limitations on apparatuses, but they do not claim use of apparatuses, and thus do not recite both apparatus and method for its use, and since claims do not fail to apprise those skilled in art of what will constitute infringement, in that claims do not cover actions by users of described apparatuses, or reactions of apparatuses to user input, and infringement therefore occurs only through manufacture and sale of systems that have described functionality and capacity.

#### Particular patents — Electrical — Personal information access

6,405,245, Burson, Ulberg, and Freishtat, system and method for automated access to personal information, summary judgment of invalidity denied.

6,412,073, Rangan, method and apparatus for providing and maintaining a user-interactive portal system accessible via internet or other switched-packet-network, summary judgment of invalidity denied.

6,510,451, Wu, Inala, Satyavolu, Rangan, Rajan, Daswani, Rangarajan, Kern, and Kumar, system for completing a multi-component task initiated by a client involving Web sites without requiring interaction from the client, summary judgment of invalidity denied.

6,594,766, Rangan and Inala, method and apparatus for providing and maintaining a

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ims directed to systems and delivering personal information from multiple Internet sources to one site are not invalid. "mixed is claims," since claims use to describe capability of certain, such as "computer readable "Internet Portal," and "Interaction," without claiming ac- e claims, by describing what when used in certain way, limitations on apparatuses, claim use of apparatuses, and both apparatus and method nce claims do not fail to ap- in art of what will consti- in that claims do not cover described apparatuses, or atuses to user input, and inore occurs only through ale of systems that have de- tancy and capacity.

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## LEGAL STANDARD

## 1. Summary Judgment

"Summary judgment is appropriate in a patent case, as in other cases, when there is no genuine issue as to any material fact and the moving party is entitled to judgment as a matter of law." *Nike Inc. v. Wolverine World Wide, Inc.*, 43 F.3d 644, 646 [33 USPQ2d 1038] (Fed. Cir. 1994); Fed. R. Civ. P. 56(c). The moving party bears the initial burden of "informing the district court of the basis for its motion" and identifying the matter that "it believes demonstrate[s] the absence of a genuine issue of material fact." *Celotex Corp. v. Catrett*, 477 U.S. 317, 323, 106 S. Ct. 2548, 2553 (1986). If the moving party meets this burden, the nonmoving party must then set forth "specific facts showing that there is a genuine issue for trial." Fed. R. Civ. P. 56(e); see also *T.W. Elec. Serv., Inc. v. Pacific Elec. Contractors Ass'n*, 809 F.2d 626, 630 (9th Cir. 1987).

"Rule 56(c) requires the moving party to show not only the absence of a disputed issue of fact but also that he is entitled to judgment as a matter of law . . . [T]herefore, the court must . . . consider the burden of proof on the issue and where it will rest at trial . . . Where the moving party has the burden—the plaintiff on a claim for relief or the defendant on an affirmative defense—his showing must be sufficient for the court to hold that no reasonable trier of fact could find other than for the moving party." *Calderone v. United States*, 799 F.2d 254, 259 (6th Cir. 1986) (quotations omitted).

The evidence presented by the parties in support of or opposition to a motion for summary judgment must be admissible. See Fed. R. Civ. P. 56(e). In evaluating this evidence, the Court does not make credibility determinations or weigh conflicting evidence, and draws all inferences in the light most favorable to the nonmoving party. *T.W. Elec. Serv.*, 809 F.2d at 630-31 (citing *Matsushita Elec. Indus. Co. v. Zenith Radio Corp.*, 475 U.S. 574 (1986); *Ting v. United States*, 927 F.2d 1504, 1509 (9th Cir. 1991).

## 2. Invalidity and Indefiniteness

A party seeking to invalidate a patent must overcome a presumption that the patent is valid. See 35 U.S.C. § 282; *United States Gypsum Co. v. National Gypsum Co.*, 74 F.3d

## Illston, J.

Defendant CashEdge's motion for summary judgment based on invalidity is set for hearing on December 1, 2006. Pursuant to Civil Local Rule 7-1(b), the Court determines the matter is appropriate for resolution without oral argument, and VACATES the hearing. For the reasons set forth below, the Court DENIES the motion. (Docket # 77)

## BACKGROUND

Plaintiff Yodlee, Inc., brought suit against defendant CashEdge, Inc., alleging infringement of six patents; CashEdge subsequently brought its own complaint for declaratory judgment of non-infringement and invalidity, adding three additional Yodlee patents to the suit. The nine patents now at issue are: United States Patent Nos. 6,199,077 ("the '077 patent"), 6,633,910 ("the '910 patent"), 6,510,451 ("the '451 patent"), 6,802,042 ("the '042 patent"), 6,412,073 ("the '073 patent"), 6,594,766 ("the '766 patent"), 6,317,783 ("the '783 patent"), 6,567,850 ("the '850 patent"), and 6,405,245 ("the '245 patent"). Broadly speaking, the nine patents all deal with systems and methods to deliver personal information culled from multiple Internet sources to one central web site. For example, the technologies at issue allow for an end user to monitor information from several types of accounts held with different financial institutions on one website, without having to individually log into and navigate through each individual website associated with each financial institution with which the user has an account.

With the instant motion for summary judgment, defendant CashEdge seeks to invalidate many of the claims of the '245, '073, '451 and

1209, 1212 [37 USPQ2d 1388] (Fed. Cir. 1996); *Hibritech Inc. v. Monoclonal Antibodies, Inc.*, 802 F.2d 1367, 1375 (Fed. Cir. 1986). This presumption places the burden on the challenging party to prove the patent's invalidity by clear and convincing evidence. *United States Gypsum Co.*, 74 F.3d at 1212.

35 U.S.C. § 112 requires that claims be particular and distinct. "The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention." 35 U.S.C. § 112 ¶ 2. The primary purpose of the requirement of definiteness is to provide warning to those skilled in the art of what will constitute infringement. *See United Carbon Co. v. Binney Co.*, 317 U.S. 228, 236 [55 USPQ 381] (1942). The definiteness standard is one of reasonableness under the circumstances, requiring that, in light of the teachings of the prior art and the invention at issue, the claims apprise those skilled in the art of the utilization and scope of the invention with a reasonable degree of precision and particularity. *See Shatterproof Glass Corp. v. Libbey-Owens Corp.*, 758 F.2d 613, 624 [225 USPQ 634] (Fed. Cir. 1985). "A determination of indefiniteness is a legal conclusion that is drawn from the court's performance of its duty as the construer of patent claims[, and] therefore, like claim construction, is a question of law." *Atmel Corp. v. Info. Storage Devices, Inc.*, 198 F.3d 1374, 1378 [53 USPQ2d 1225] (Fed. Cir. 1999).

## DISCUSSION

Defendant CashEdge argues that a majority of the patent claims at issue are invalid, as a matter of law, because they are indefinite. According to defendant, they are "mixed method-apparatus" claims, which the Federal Circuit found to be indefinite in *IPXL Holdings, L.L.C. v. Amazon.com, Inc.*, 430 F.3d 1377 [77 USPQ2d 1140] (Fed. Cir. 2005).

In *IPXL*, the Federal Circuit agreed with the Board of Patent Appeals and Interferences of the PTO, "that reciting both an apparatus and a method of using that apparatus renders a claim indefinite under section 112, paragraph 2." *Id.* at 1384. The court cited and followed a decision by the Board of Patent Appeals and Interferences, *Ex parte Lyell*, 17 U.S.P.Q.2d 1548 (BPAI 1990), which had invalidated as indefinite a claim whose preamble described the claim as "an automatic transmission tool

... and method for using same."<sup>1</sup> The Federal Circuit's *IPXL* case concurred with the analysis, explaining: "[A]s a result of the combination of two separate statutory classes of invention, a manufacturer or seller of the claimed apparatus would not know from the claim whether it might also be liable for contributory infringement because a buyer or user of the apparatus later performs the claimed method of using the apparatus." *Id.*

Based on this rule, the Federal Circuit affirmed the district court's invalidation of one of the claims at issue, claim 25, which stated:

The system of claim 2 [including an input means] wherein the predicted transaction information comprises both a transaction type and transaction parameters associated with that transaction type, and the user uses the input means to either change the predicted transaction information or accept the displayed transaction type and transaction parameters.

*Id.* (quoting patent) (emphasis added). The circuit court stated:

Thus, it is unclear whether infringement of claim 25 occurs when one creates a system that allows the user to change the predicted transaction information or accept the displayed transaction, or whether infringement occurs when the user actually uses the input means to change transaction information or uses the input means to accept a displayed transaction. Because claim 25 recites both a system and the method for us-

<sup>1</sup> The claim invalidated in *Ex parte Lyell* read as follows:

2. An automatic transmission tool in the form of a workstand and method for using same comprising:  
a support means,  
and [sic] internally splined sleeve affixed upright to said support means,  
a threaded adjustment bolt threadably engaged through a hole in the bottom of said support means and projecting upward through said support frame into said sleeve,  
and further comprising the steps of  
1. positioning the output end of an automatic transmission onto said upright sleeve,  
2. removing the internal components of said automatic transmission from the casing of said transmission,  
3. repairing and replacing said internal components back into said casing, and  
4. adjusting said internal components for fit and interference by means of adjusting said upwardly projecting adjustment bolt.

17 U.S.P.Q.2d at 1549 (emphasis added).

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ing that system, it does not apprise a person  
of ordinary skill in the art of its scope, and  
it is invalid under section 112, paragraph 2.  
*Id.*

Several recent attempts to invalidate patent  
claims based on the *IPXL* mixed method-  
apparatus rule have been rejected, based on  
critical differences in the challenged claim  
language. For example, in *Collaboration  
Properties, Inc. v. Tandberg ASA*, 2006 U.S.  
Dist. LEXIS 42465 at \*1 [81 USPQ2d 1530] (N.D. Cal. June 23, 2006), Judge Patel re-  
jected defendants' attempt to invalidate the  
following claim:

1. A teleconferencing system for conducting  
a teleconference among a plurality of par-  
ticipants, comprising:
  - (a) a plurality of workstations, each work-  
station having first and second monitors and  
in communication with audio and video  
(AV) capture capabilities;
  - (b) a data path in communication with the  
plurality of workstations, over which data  
can be shared among the plurality of par-  
ticipants; and
  - (c) an AV path in communication with the  
plurality of workstations, along which AV  
signals, representing video images and spo-  
ken audio of the participants, can be car-  
ried;

wherein, the system is *configured to* repro-  
duce images, based on data signals shared  
along the data path, on at least two first  
monitors so as to permit participants asso-  
ciated with the workstations having the two  
first monitors to interactively share the re-  
produced images and reproduce participant  
video images, based on AV signals carried  
along the second path, on at least two sec-  
ond monitors.

*Id.* at \*15-\*16 (emphasis added). Defendants  
argued that because the claim required the  
system to be "configured," it improperly "in-  
jects method steps into the purported system  
claim," and was therefore invalid under *IPXL*.  
*Id.* at \*16. Judge Patel rejected defendants' ar-  
gument, and distinguished *IPXL*, stating:

The problematic claim language in *IPXL Holdings* required that "the user uses the  
input means" to perform certain functions –  
an act. The language in the claims of the as-  
serted patents, in contrast, requires that the  
system be "configured to" perform certain

function when it is used – a statement of  
functionality.

*Id.* The *IPXL* rule does not apply "where the  
claims require capability, but not actual use."  
*Id.* at \*19.

In *Collegenet, Inc. v. XAP Corp.*, 2006 U.S.  
Dist. LEXIS 49760 at \*1040 (D. Or. July 17,  
2006), the defendant sought to invalidate sev-  
eral claims based on the *IPXL* rule. In reject-  
ing the defendant's arguments, the district  
court explained the difference between an im-  
proper mixed method-apparatus claim, and a  
wholly appropriate, "functional limitation."  
*See id.* at \*1062-63. "A 'functional limitation'  
is 'an attempt to define something by what it  
does, rather than by what it is.'" *Id.* at \*1062  
(quoting *Manual of Patent Examining Proce-  
dure* § 2173.05(g) (8th Ed., 2001, rev. 2005)).  
"IT]here is nothing inherently wrong with defin-  
ing some part of an invention in functional  
terms. Function language does not, in and of  
itself, render a claim improper." *Id.* (quoting  
*Manual* § 2173.05(g)).

[1] Plaintiff argues that, as in *Collaboration  
Properties* and *Collegenet*, the patents at issue  
here merely claim devices with functional  
limitations, and do not constitute invalid  
mixed method-apparatus claims, as in *IPXL*.  
The Court agrees. Unlike *IPXL*, the patents at  
issue here do not claim both an apparatus and  
a method for using that apparatus. The claims  
simply use active language to describe the *capa-  
bility* of the apparatuses; they do not claim  
the activity itself.

For example, defendant first attacks claim 8  
of the '245 patent, which states:

A computer-readable storage device storing  
instructions that upon execution cause a  
processor to automatically access personal  
information associated with an end user,  
wherein the personal information is stored  
on a personal information provider by per-  
forming the steps comprising of:

- (a) presenting on a client computer associ-  
ated with the end user and in communica-  
tion with the personal information  
provider via a network a representation  
of personal information and a link cor-  
responding to the personal information  
stored on the personal information pro-  
vider;
- (b) upon activation of the presented link,  
downloading an application to the cli-  
ent computer, wherein the downloaded  
application upon execution on the cli-  
ent computer performs the steps of:

- (i) connecting to the personal information provider;
- (ii) navigating to the personal information on the personal information provider using a protocol for instructing the client computer how to access the personal information via the network, the personal information accessible to the client computer using the protocol also being accessible by the end user via the network independently of automatic access by the processor of personal information caused by execution of the instructions; and
- (iii) presenting the personal information to the user of the client computer.

Patent '245 at 18:21-47 (emphasis added).

Defendant argues that because of paragraph (b), describing "activation of the presented link," "it cannot be known whether infringement . . . occurs when the computer-readable storage device is manufactured or sold, or whether infringement occurs when a user activates such a system's presented link, or both. Moreover, infringement of these claims can only take place by virtue of human interaction . . ." Mot. at 8:21-24 (emphasis in original). Defendant's argument, however, is incorrect. The claim describes what happens "upon activation of the presented link." It does not seek to patent activation of the link; it seeks only to patent a device which performs certain functions if and when the link is activated. Infringement occurs when a device that has the capability of performing the steps described under paragraph (b) is manufactured and sold. Whether a user actually activates the link presented by the infringing device is of absolutely no import. Similarly, the process initiated by activating the link need never take place. If the device presents such a link, and activating such link would initiate the process described under paragraph (b), the device infringes.

A simple analogy would be a claim which physically describes a pair of scissors designed to cut paper; then states, "upon opening and closing the sharp edges of the scissors on a piece of paper, the paper is cut." The language describes the capability of the scissors; it is function language. Infringement occurs upon the manufacturing and sale of scissors that are capable of cutting paper. The *IPXL* rule would apply only if the patent claimed the physical description of the scissors, then

stated within the same claim: "and the method of using said scissors to cut a piece of paper." The claims at issue here are analogous to the former example. They describe what the apparatuses do, when used a certain way. They do not claim *use* of the apparatuses. Thus, they do not "recite both an apparatus and a method of using that apparatus." *IPXL*, 430 F.3d at 1384.

All of the claims challenged by defendant, like claim 8 of patent '245, place functional limitations on the apparatuses by describing the capabilities of the apparatuses. They are not invalid mixed method-apparatus claims. Claim 9 of patent '245 describes "[a] system for automated access to personal information associated with an end user." Patent '245 at 18:48-49. Like claim 8, it describes what the system does when "the presented link" is activated. *Id.* at 19:3. It does not require that the link be activated; it merely describes the function and capability of the system.

Similarly, claim 1 of the '073 patent describes the physical components of an "Internet Portal" apparatus, then states:

wherein the Portal, in response to log-on by a user from a user's Internet-connected appliance, presents a secure and personalized page for the user, the personalized page having a list of Internet destinations, pre-selected by the user and enabled by hyperlinks, wherein, upon invocation of a hyperlink by the user, the portal invokes a URL for the destination, and upon connection with the destination, transparently provides any required log-on information required for user access at the destination.

Patent '073 at 10:2-13.

Claim 18 of the '073 patent describes the physical aspects of an "Internet Portal software application" apparatus, then states:

wherein . . . upon invocation of a hyperlink by the associated user, the portal software invokes a URL for the destination, and upon connection with the destination, transparently provides any required log-on information for user access at the destination.

*Id.* at 11:11-24.

Claim 28 of the '073 patent claims an "Internet Portal software application" apparatus, then states the function of the apparatus:

wherein the portal application interacts with a browser plug-in executing on a subscriber's Internet-connected appliance, such that, when the user invokes a destination, pre-

selected by browser, a personal pa ates with the data necess parent to th *Id.* at 11:59-12.

Claim 1 of physical comp system," then

wherein the tion of a mt the client, without int the comp programme third-party ] completion ages intera sites, gather integrates it nicates final ent station.

Patent '451 at 10:53-11:6.

Claims 1 an describe the p ternet Portal," tion," then des paratuses — i. takes certain a 10:53-11:6.

None of the *IPXL* rule. Th cover both "[t which "the us 1384. In Ex both "a work same." 17 U.S therefore, "a claimed appar claim whether tributary infrin of the appar method of usi E3d at 1384. F The claims at taken by users do they claim software to us how the softw input by users, software and only through tems which ha and capacity. claims. As Jud

same claim: "and the method sors to cut a piece of paper." sue here are analogous to the They describe what the appa used a certain way. They do the apparatuses. Thus, they both an apparatus and a that apparatus." *IPXL*, 430

ms challenged by defendant, patent '245, place functional e apparatuses by describing f the apparatuses. They are d method-apparatus claims. t '245 describes "[a] system cess to personal information n end user." Patent '245 at aim 8, it describes what the "the presented link" is ac. It does not require that the it merely describes the func- of the system.

1 1 of the '073 patent de- al components of an "Inter- tus, then states:

tal, in response to log-on by ser's Internet-connected app- a secure and personalized ser, the personalized page Internet destinations, pre- siser and enabled by hyper- pon invocation of a hyper- the portal invokes a URL ion, and upon connection ion, transparently provides g-on information required t the destination.

13. '073 patent describes the an "Internet Portal soft- apparatus, then states:

invocation of a hyperlink user, the portal software for the destination, and with the destination, trans- any required log-on infor- mance at the destination.

173 patent claims an "In- e application" apparatus, on of the apparatus:

application interacts with executing on a subscr- cted appliance, such that, 'okes a destination, pre-

selected by the associate user, from the browser, accessing the associated user's personal page, the portal software cooperates with the browser plug-in to furnish the data necessary for a successful log-on transparent to the user.

*Id.* at 11:59-12:6.

Claim 1 of the '451 patent describes the physical components of an "Internet portal system," then states its function:

wherein the software, in response to initiation of a multi-component task specified by the client, transparently to the client, and without interaction from the client defines the component tasks based on pre-programmed client-related data, identifies third-party Internet Web sources needed for completion of the tasks, performs and manages interaction with the identified Web sites, gathering results of the interactions, integrates the gathered results, and communicates final results to the client at the client station.

Patent '451 at 9:50-10:3.

Claims 1 and 11 of the '766 patent similarly describe the physical components of an "Internet Portal" and an "Internet Portal application," then describe the functions of those apparatuses — i.e., what happens when the user takes certain actions. Patent '766 at 10:10-28, 10:53-11:6.

None of these claims are invalid under the *IPXL* rule. The claim in *IPXL* purported to cover both "[t]he system," and the situation in which "the user uses" the system. 430 F.3d at 1384. In *Ex parte Lyell*, the claim covered both "a workstand and method for using same." 17 U.S.P.Q.2d at 1549. In those cases, therefore, "a manufacturer or seller of the claimed apparatus would not know from the claim whether it might also be liable for contributory infringement because a buyer or user of the apparatus later performs the claimed method of using the apparatus." *IPXL*, 430 F.3d at 1384. Here, there is no such confusion. The claims at issue do not cover the actions taken by users of the portals and software, nor do they claim the reactions of the portals and software to user input. Instead, they describe how the software and portals react to certain input by users, as functional limitations of the software and portals. Infringement occurs only through manufacturing and sale of systems which have the described functionality and capacity. *IPXL* does not apply to these claims. As Judge Patel stated, the *IPXL* rule

does not apply "where the claims require capability, but not actual use." *Collaboration Props.*, 2006 U.S. Dist. LEXIS 42465 at \*19.

Plaintiff's patents enjoy a presumption of validity, which may only be overcome by clear and convincing evidence. In this instance, defendant has not met its burden of establishing that the claims at issue fail to provide warning to those skilled in the art of what will constitute infringement. *See United Carbon Co. v. Binney Co.*, 317 U.S. 228, 236 [55 USPQ 381] (1942).

### CONCLUSION

For the foregoing reasons and for good cause shown, the Court DENIES defendant's motion for summary judgment of invalidity. (Docket No. 77)

IT IS SO ORDERED.

Berman v. Johnson

U.S. District Court  
Eastern District of Virginia

No. 1:07cv39

Decided October 19, 2007

### COPYRIGHTS

#### [1] Rights in copyright; infringement — Ownership of copyright — Joint works (§ 213.0303)

Evidence supports jury's finding that plaintiff and defendant intended to be joint authors of documentary motion picture, and that plaintiff's contributions to film were independently copyrightable, since record includes testimony that parties discussed film as joint project, that plaintiff prepared "treatment" outlining essential elements of film, that plaintiff discussed treatment with defendant, and that co-plaintiff's involvement in film was based on film's anticipated adherence to treatment, that plaintiff drafted original questions for each of her interview subjects, that her interviews were incorporated into film, and that plaintiff drafted, compiled, and otherwise supplied significant amount of information about various groups and individuals featured in film.

#### [2] Rights in copyright; infringement — Ownership of copyright — Joint works (§ 213.0303)

"Authorship" of joint work is established by showing that each of putative coauthors